

# Introduction to IFTA



<http://www.mdt.mt.gov/business/fueltax/>  
<http://www.iftach.org>

# Introduction

- **What is IFTA**

IFTA stands for International Fuel Tax Agreement. It is an agreement among 48 U.S. states and 10 Canadian provinces (58 jurisdictions in all) to standardize the reporting of fuel use taxes by interstate motor carriers.

- **Background of IFTA**

Before implementation of the International Fuel Tax Agreement (IFTA) there were over 60 different jurisdictions. Each jurisdiction (State) had its own separate return, audit, license, rules and forms. If a motor carrier operated in any of these jurisdictions they had to comply with the requirements of each jurisdiction, which made filing returns difficult and time consuming.

- **Goal of IFTA**

The goal of IFTA is to simplify and standardize the reporting, collection & distribution of fuel taxes by interstate motor carriers.

# Overview

- **Joining IFTA vs. Buying Fuel Trip Permits**

An interstate (travel between jurisdictions) carrier has to make a choice:

1. Buy fuel trip permits in each jurisdiction that you travel, or
2. Join IFTA and display IFTA decals on the vehicle  
–you do not have to pay for a fuel trip permits, and you will be subject to the rules and regulations of IFTA.

# Overview (cont.)

- **Should you belong to IFTA?**

1. If your company vehicles only travel within Montana, you are not required to belong to IFTA.
2. Whether you decide to belong to IFTA or not is your decision, but you want to take into consideration the following factors:
  - The number of times you travel out-of-state
  - The cost of fuel trip permits
  - The cost of record keeping and filing tax returns if you join IFTA

- **The Montana IFTA Process**

Montana joined IFTA in 1991. The Department of Transportation administers and enforces the licensing of IFTA carrier requirements.

# Topics to be Covered



- Licensing
- Tax Reporting/Refunds
- Failure to File/Revocations/Cancellations
- IFTA Record-Keeping Requirements

# Topics to be Covered (cont)

- Audits
- Dispute Resolution
- Where to Obtain Forms & Information
- Questions and Answers



# IFTA LICENSING

	<b>INTERNATIONAL FUEL TAX AGREEMENT (IFTA) LICENSE</b>	<b>MONTANA</b> DEPARTMENT OF TRANSPORTATION MOTOR CARRIER SERVICES DIVISION P.O. BOX 5895 HELENA, MT 59604-5895
<b>IFTA LICENSE NUMBER:</b> <b>MONTANA LICENSE NUMBER:</b> <b>EFFECTIVE DATE:</b> <b>EXPIRATION DATE:</b>  <b>NOT TRANSFERABLE</b>	MT810000000 000000-IF 01/01/01 12/31/01 	MOTOR CARRIERS SAMPLE IFTA 59604  THIS LICENSE IS ISSUED UNDER THE TERMS OF THE INTERNATIONAL FUEL TAX AGREEMENT AND IS VALID FOR VEHICLES OPERATED BY THE LICENSEE IN ALL IFTA MEMBER JURISDICTIONS.

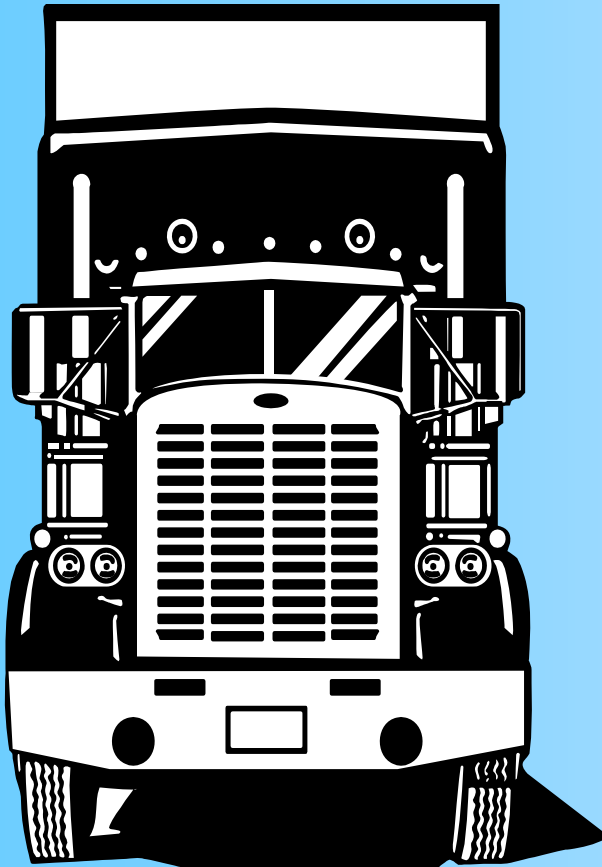
# To Qualify for IFTA

- You have to be a Montana Based Interstate motor carrier to license your vehicles through Montana IFTA; and
- You keep the operational control and records for your vehicles in Montana or make your records available; and
- Travel is accrued by your qualified motor vehicles on Montana's highways.



# Qualified Motor Vehicle

The vehicle described below will need to either have an IFTA License or will need to have a fuel trip permit for interstate travel.



- A motor vehicle used, designed or maintained for the transportation of persons or property and:
  - ✓ Having two axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds; or
  - ✓ Have three or more axles regardless of weight; or
  - ✓ Is used in combination, when the weight or such combination exceeds 26,000 pounds gross vehicle or registered gross vehicle weight.
  - ✓ Special Mobile Equipment is not a qualified vehicle.

# In place of licensing under IFTA

- A carrier may elect to operate on a fuel trip permit.
- Fuel trip permitting through jurisdictions is the only **ALTERNATIVE** to licensing under IFTA and could be costly.



# **MONTANA** **INTRASTATE** **TRAVEL**

**An IFTA license is  
NOT required**

**Travel outside MT may require a fuel trip  
permit from each jurisdiction you travel through.**

# Application for License



Required by all jurisdictions

# To apply for your IFTA License & Decals

- Call 406-444-6130

or write:

**Dept of  
Transportation  
Motor Carrier  
Services**

**PO Box 4639  
Helena, MT 59604**





Montana Department of Transportation  
Motor Carrier Services Division  
PO Box 4639  
Helena MT 59604-4639  
(406) 444-6130

International Fuel Tax Agreement (IFTA)  
New Carrier Application

Do Not Write in this Space

MT License #:

IFTA License #:

1. Registrant Name:			Trade Name (DBA):		
2. Mailing Address - Line 1			5. Physical Address - Line 1 (If Different from Mailing Address)		
3. Mailing Address - Line 2			6. Physical Address - Line 2		
4. City	State	Zip Code	7. City	State	Zip Code
8. Business Federal Employer ID #		9. USDOT # (Required)		10. Business Phone #	
11. 'X' Type of Organization <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> LLP		12. Social Security # Social Security #		13. Identify Owners, Partners, or Corporate Officers Name and Address	
		14. Do you maintain bulk storage in Montana?		<input type="checkbox"/> Yes <input type="checkbox"/> No	
15. If you maintain Bulk Fuel is Maintained:					
16a. Have you ever been licensed in another jurisdiction? Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, your IFTA license has been revoked <input type="checkbox"/> Yes <input type="checkbox"/> No					
17. To which states do you have fuel use? (List all states and provinces, including Alaska and Hawaii, and all foreign countries.)					
<input type="checkbox"/> AL - Alabama	<input type="checkbox"/> KY - Kentucky	<input type="checkbox"/> NE - Nebraska	<input type="checkbox"/> RI - Rhode Island	<input type="checkbox"/> SD - South Dakota	<input type="checkbox"/> VT - Vermont
<input type="checkbox"/> AZ - Arizona	<input type="checkbox"/> LA - Louisiana	<input type="checkbox"/> NV - Nevada	<input type="checkbox"/> TN - Tennessee	<input type="checkbox"/> UT - Utah	<input type="checkbox"/> WA - Washington
<input type="checkbox"/> CA - California	<input type="checkbox"/> ME - Maine	<input type="checkbox"/> NH - New Hampshire	<input type="checkbox"/> TX - Texas	<input type="checkbox"/> VA - Virginia	<input type="checkbox"/> WV - West Virginia
<input type="checkbox"/> CO - Colorado	<input type="checkbox"/> MB - Manitoba	<input type="checkbox"/> ND - North Dakota	<input type="checkbox"/> UT - Utah	<input type="checkbox"/> WI - Wisconsin	<input type="checkbox"/> WY - Wyoming
<input type="checkbox"/> CT - Connecticut	<input type="checkbox"/> MI - Michigan	<input type="checkbox"/> NS - Nova Scotia	<input type="checkbox"/> VA - Virginia	<input type="checkbox"/> ALL - All Jurisdictions	
<input type="checkbox"/> DE - Delaware	<input type="checkbox"/> MN - Minnesota	<input type="checkbox"/> QC - Quebec			
<input type="checkbox"/> FL - Florida	<input type="checkbox"/> MS - Mississippi	<input type="checkbox"/> OH - Ohio			
<input type="checkbox"/> GA - Georgia	<input type="checkbox"/> MO - Missouri	<input type="checkbox"/> OK - Oklahoma			
<input type="checkbox"/> ID - Idaho	<input type="checkbox"/> MT - Montana	<input type="checkbox"/> ON - Ontario			
<input type="checkbox"/> IL - Illinois	<input type="checkbox"/> NB - New Brunswick	<input type="checkbox"/> OR - Oregon			
<input type="checkbox"/> IN - Indiana	<input type="checkbox"/> NE - Nebraska	<input type="checkbox"/> PA - Pennsylvania			
<input type="checkbox"/> IA - Iowa	<input type="checkbox"/> NL - Newfoundland	<input type="checkbox"/> PE - Prince Edward Isl.			
18. Fuel Decals for IFTA Units - Decal Fees must be sent with this application. Number of vehicles requiring fuel decals _____ x \$2.00 = _____					

I certify with my signature that to the best of my knowledge the information and statements on this application are true and correct. I agree to comply with reporting, payment, record keeping and license display requirements as specified in the International Fuel Tax agreement and Montana State Statutes. I further agree that Montana may withhold any refunds due me if I become delinquent in payment of fuel taxes, whether due Montana or any IFTA member state. I also understand that failure to comply with these provisions shall be grounds for revocation of my fuel tax license(s).

Authorized Signature

Date

Title

See Reverse for Instructions

Reverse Must be Completed

# Completing IFTA Application

**1. Trade Name (DBA).**

**2-4. Mailing Address** – Where you receive your mail.

**5-7. Location/Physical Address** — A license cannot be issued without a physical address.

**8. Business Federal Employer ID No.** —  
Sole Proprietorship enter owner's Social Security number

**9. USDOT # - (Contact 202-366-9805 or [www.usdotnumberregistration.com](http://www.usdotnumberregistration.com)).**

**10. Business Phone Number — With area code**

**11. ‘X’ Type of Organization** (Individual, Partnership, Corporation, LLC, LLP, Other)

**Owners, Partners or Corporate Officers must be identified. Include the following for each person listed:**

**12. Social Security #**

**13. Name and Address — Identify Owners, Partners, or Corporate Officers**



**14. Do you maintain bulk storage in Montana?**

Indicate whether you have bulk fuel storage in MT.

**15. List other jurisdictions where bulk fuel is maintained – List all jurisdictions where you have bulk fuel storage.**

**16. Have you ever been licensed in another jurisdiction? Has your IFTA license ever been revoked?** Indicate whether you have ever been licensed in another jurisdiction. Indicate whether your IFTA license is or has ever been revoked.

**17. The jurisdictions in which you operate** – Mark an “X” next to each jurisdiction in which you operate or the ALL block if operating in all the jurisdictions listed.

**18. Number of vehicles requiring IFTA decals** – Indicate number if IFTA qualified motor vehicles requiring decals. You will be sent 2 decals (1 set) per vehicle. Payment of \$2 per set of decals **MUST** accompany your application.

**Authorized Signature and Date must be completed in order to process application.**

# License Renewal

- **An application for renewal for the next license year will be mailed in September. Carriers who have been canceled will NOT receive a renewal.**





Montana Department of Transportation  
Motor Carrier Services Division

PO BOX 4639  
HELENA MT 59604-4639  
(406) 444-6130

Do Not Write in this Space  
2008 RENEWAL

International Fuel Tax Agreement (IFTA)  
Renewal Application

Please correct or complete any incorrect or incomplete information.  
Current Name and Mailing Address

Do Not Write in This Space

MT License #:

IFTA License #:

1. Trade Name (DBA)

2. Address Line 1

3. Address Line 2

4. City, State, ZIP

Physical Address (if different from mailing address)

5. Address Line 1

6. Address Line 2

7. City, State, ZIP

USDOT# (Required)	Business Phone Number	Business Federal Employer ID No.
<b>'X' Type of Organization</b> <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> LLC <input type="checkbox"/> LLP <input type="checkbox"/> Other	<b>Identify Owners, Partners, or Corporate Officers</b>	
	Social Security #	Name and Address
Do you maintain bulk storage in Montana?		<input type="checkbox"/> Yes <input type="checkbox"/> No
List Other States Where Bulk Fuel is Maintained:		
The Jurisdictions you operate: ("X" all that apply)		
<input type="checkbox"/> AB - Alabama <input type="checkbox"/> AK - Alaska <input type="checkbox"/> AR - Arizona <input type="checkbox"/> AZ - Arizona <input type="checkbox"/> CA - California <input type="checkbox"/> CO - Colorado <input type="checkbox"/> CT - Connecticut <input type="checkbox"/> DE - Delaware <input type="checkbox"/> FL - Florida <input type="checkbox"/> GA - Georgia <input type="checkbox"/> HI - Hawaii <input type="checkbox"/> IL - Illinois <input type="checkbox"/> IN - Indiana <input type="checkbox"/> IA - Iowa	<input type="checkbox"/> KS - Kansas <input type="checkbox"/> KY - Kentucky <input type="checkbox"/> LA - Louisiana <input type="checkbox"/> ME - Maine <input type="checkbox"/> MD - Maryland <input type="checkbox"/> MA - Massachusetts <input type="checkbox"/> MI - Michigan <input type="checkbox"/> MN - Minnesota <input type="checkbox"/> MS - Mississippi <input type="checkbox"/> MO - Missouri <input type="checkbox"/> MT - Montana <input type="checkbox"/> NE - Nebraska <input type="checkbox"/> NJ - New Jersey <input type="checkbox"/> NY - New York <input type="checkbox"/> OH - Ohio <input type="checkbox"/> OK - Oklahoma <input type="checkbox"/> OR - Oregon <input type="checkbox"/> PA - Pennsylvania <input type="checkbox"/> PR - Puerto Rico <input type="checkbox"/> RI - Rhode Island <input type="checkbox"/> SC - South Carolina <input type="checkbox"/> SD - South Dakota <input type="checkbox"/> TN - Tennessee <input type="checkbox"/> TX - Texas <input type="checkbox"/> UT - Utah <input type="checkbox"/> VT - Vermont <input type="checkbox"/> WA - Washington <input type="checkbox"/> VA - Virginia <input type="checkbox"/> WI - Wisconsin <input type="checkbox"/> WY - Wyoming	<input type="checkbox"/> ALL - All Jurisdictions
Fuel Decals for IFTA Units - Decal Fees must be sent with this renewal. Number of vehicles requiring fuel decals _____ x \$2.00 = \$_____		

I certify with my signature that to the best of my knowledge the information and statements on this application are true and correct. I agree to comply with reporting, payment, record keeping and license display requirements as specified in the International Fuel Tax Agreement and Montana State Statutes. I further agree that Montana may withhold any refunds due to me if I become delinquent in payment of fuel taxes, whether due Montana or any IFTA member state. I also understand that failure to comply with these provisions shall be grounds for revocation of my fuel tax license(s).

Authorized Signature

Date

See Reverse for Instructions

Title

Reverse must be Completed

# Renewal Application

- **Make any necessary corrections to the pre-printed information & complete the remainder of the form.**
- **Sign & Date.**
- **Return your renewal with \$2 per set of decals with a check or money order to:**



**Motor Carrier Services**  
**PO Box 4639**  
**Helena, MT 59604**

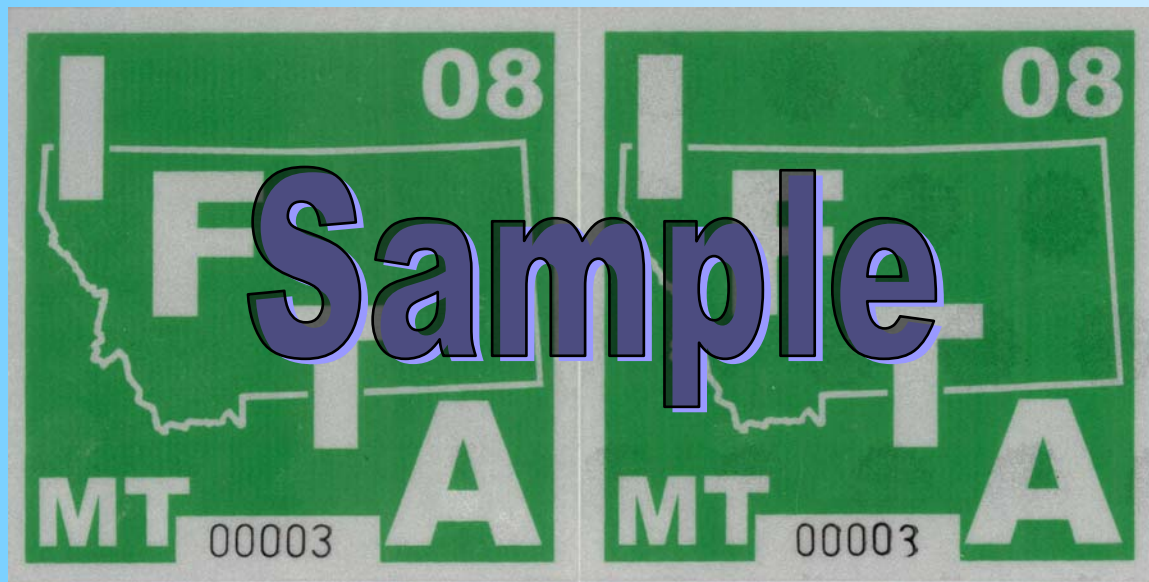
# IFTA License

- A single IFTA license will be issued for your fleet of vehicles.
- A license is valid from January 1 through December 31.
- Make copies of the original license and place a copy in each of your vehicles.
- Keep the original license in a safe place.
- Use the original to make additional copies when adding a vehicle to your fleet during the licensing year.



# IFTA Identification Decal

- Each licensee is issued two decals (one set for each vehicle).
- An identification decal **MUST** be placed on the lower rear corner of each side of the vehicle's cab.
- Failure to place the decals in the required locations and carry a copy of the license may subject the vehicle operator to purchase a fuel trip permit and/or receive a citation.
- If a vehicle is added to the fleet, decals must be requested. If a vehicle is removed from the fleet, the IFTA decal **MUST** be removed.
- If you are registered under the IRP, Motor Carrier Services will only issue decals for the number of registered vehicles you have in your fleet.



This is a sample of the 2008 year decal. (Green)  
The color of decals will change each year.

2009 will be Red  
2010 will be Blue  
2011 will be Green  
2012 will be Red  
2013 will be Blue



# Can be faxed to 406-444-0800 with credit card #

USE THIS FORM ONLY TO ORDER ADDITIONAL

DECALS AFTER DOING YOUR RENEWAL

## Additional IFTA Decals - Order Form

Registrant Name: \_\_\_\_\_

Trade Name: \_\_\_\_\_

Federal ID # \_\_\_\_\_

Montana Fuel (IFTA) License Number \_\_\_\_\_

Numbers of IFTA Qualified Vehicles \_\_\_\_\_ X \$2.00 = \$ \_\_\_\_\_

Vehicle(s) for which the additional decals are required:

ACCOUNT #	FLEET #	UNIT #	VIN #	YEAR	MAKE
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_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

(Please copy this sheet for additional vehicles.)

**Please make remittance payable to the State of Montana**

***DECALS MUST BE PAID FOR BEFORE THEY WILL BE SENT TO YOU.***

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Date

Montana Department of Transportation  
Motor Carrier Services Division  
P.O. Box 4639  
Helena, MT 59604-4639  
(406) 444-6130



# **Temporary IFTA License**

**ONLY FOR ESTABLISHED  
ACCOUNTS**

**A temporary license, in lieu of the  
decals only, can be issued while  
waiting for the decals.**



## MONTANA TEMPORARY IFTA PERMIT

IFTA LICENSE \_\_\_\_\_

FEDERAL ID NUMBER \_\_\_\_\_

ADDRESS \_\_\_\_\_

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_

### VEHICLE INFORMATION

MAKE \_\_\_\_\_

YEAR \_\_\_\_\_

SERIAL NUMBER \_\_\_\_\_

ISSUE DATE \_\_\_\_\_

EXPIRATION DATE \_\_\_\_\_

Authorized Signature \_\_\_\_\_

This temporary permit is issued to the above unit. This permit is issued to a current licensee in good standing and authorizes travel for 30 days or until annual credentials are issued. Issued in accordance with IFTA Agreement Section VI.H.

Please contact our office for additional decals at:  
Montana Department of Transportation  
Motor Carrier Services Division  
PO Box 4639  
Helena MT 59604  
(406) 444-6130

S:IFTA:iftatemp

# Display of Renewal Credentials



- **Carriers renewing credentials may operate with the new IFTA decals and license starting on or after December 1. The carrier must carry a copy of the prior year's license in the vehicle until December 31.**

# Grace Period

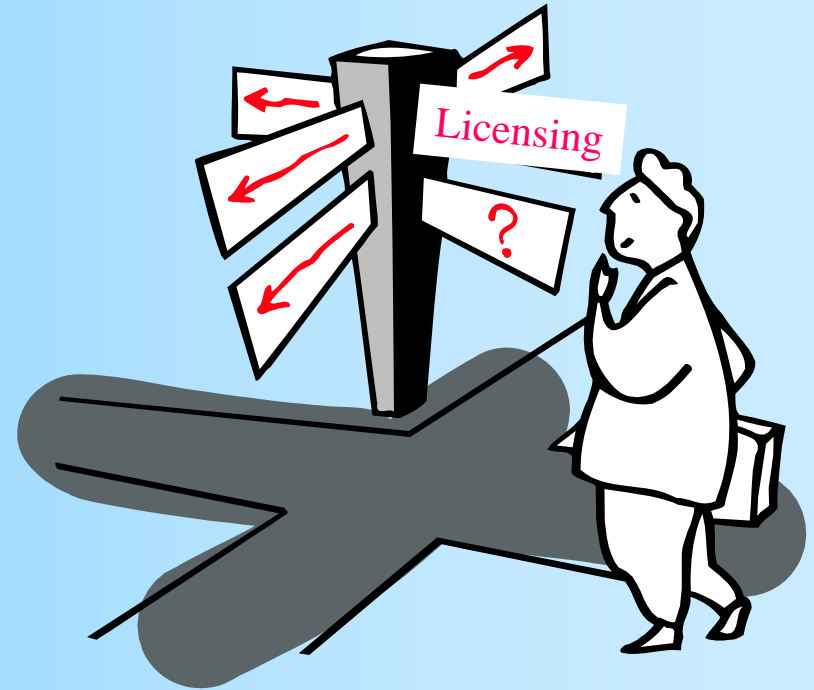
**The grace period allows IFTA carriers to display valid prior year licenses and decals until the end of February. Beginning March 1, the current year license and decals must be displayed.**



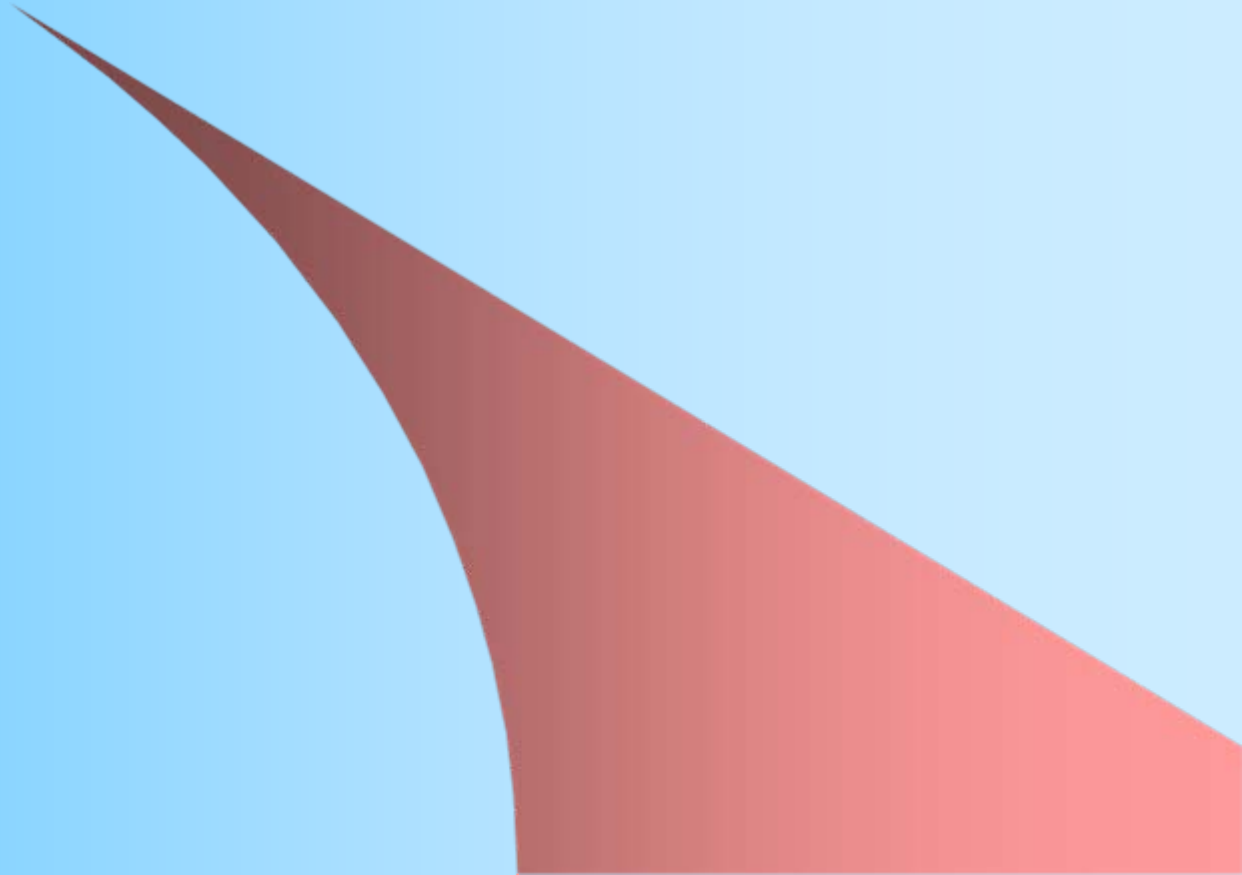
# CONTACT

**For IFTA licensing  
information contact:**

**MOTOR  
CARRIER  
SERVICES  
406-444-6130**



# IFTA Tax Forms



# Forms Provided Quarterly by the Department

- ❖ International Fuel Tax Agreement (IFTA)  
MF 12 Tax Return Form
- ❖ MF92A Supplement – Fuel Tax  
Computation
- ❖ MF92CR Supplement – Fuel Purchase  
Summary



# Internet Filing



## **Advantages:**

- ❖ 24 hours - 7 days a week
- ❖ View your account
- ❖ Current tax rates on internet form
- ❖ Ability to verify return filed
- ❖ Less chance for error since system computes taxes and surcharges

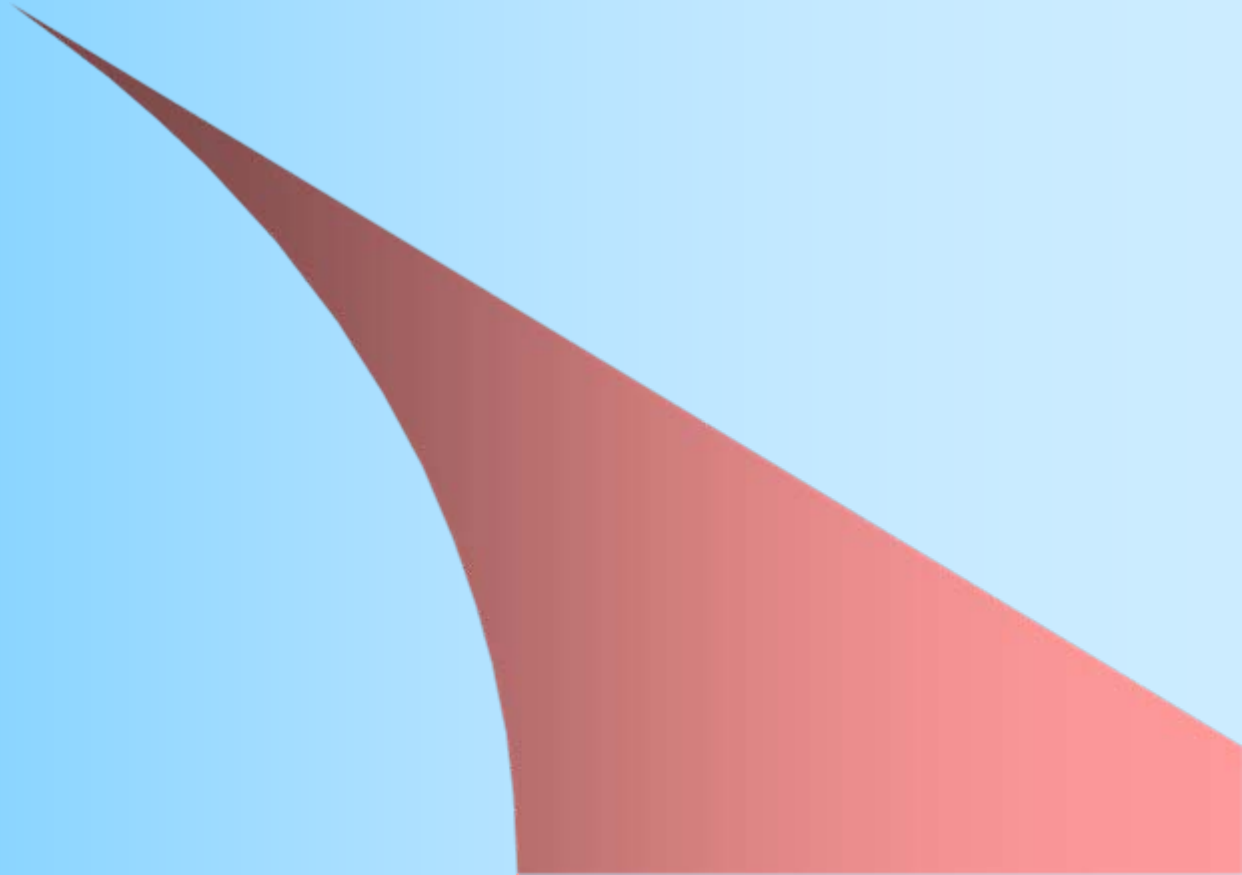
# How to Apply for Internet Filing

- ❖ A list of hardware/software requirements is located in the appendix.
- ❖ If requirements are met, contact Accounting Services Bureau to provide the information needed for an ID and password. 406-444-7664; fax 406-444-5411.
- ❖ Within a month you will receive a letter back with ID and password.

# Electronic Payments through ACH Credit (new)

- ❖ International Fuel Tax Agreement (**IFTA**) tax payments can be made to the Montana Department of Transportation (MDT) by a taxpayer initiating an ACH credit through their bank. The credit transaction needs to contain specific information. Please contact the Fiscal Operations Bureau for the requirements.
- ❖ Contact Fiscal Operations Bureau:  
406-444-7272

# Completing Your Tax Return





Montana Department of Transportation  
Accounting Services Bureau  
PO Box 5895  
Helena, MT 59604-5895  
Phone: (406) 444-7664 FAX: (406) 444-5411 TTY: (406) 444-7696  
www.mdt.mt.gov

Do Not Write In This Space

International Fuel Tax Agreement (IFTA) – Tax Return

Trade Name (DBA): «DBA»  
Address Line 1: «ADDRESS1»  
Address Line 2: «ADDRESS2»  
City, State, Zip: «LOCATION»

Report Period: «Period»  
Due Date: «DUE»  
MT License #: «MT»  
IFTA License #: «IFTA»  
FEIN or SSN: «FEIN»  
Phone #: «PHONE»

Fuel Summary

Fuel Type	Total Miles Traveled All Jurisdictions I	Total Gallons Used All Jurisdictions II	Average Fleet MPG (2 Decimal Places) III
1. Diesel (D):		/	=
2. Gasohol (GH):		/	=
Propane (P):		/	=
Natural Gas (NG):		/	=
3. Gasoline (G):		/	=

4. If you did not operate this quarter write "none" in column (d).

5. IFTA Jurisdictions fuel tax computation (IFTA Qualified Vehicles):								*Round columns d through g to the nearest whole number.		
a	b	c	d	e	f	g	h	i	j	k
Jurisdiction	Fuel Type D, GH, P, NG, G	Tax Rate	Total Miles in Jurisdiction	Taxable Miles in Jurisdiction	Taxable Gallons	Tax Paid Gallons	Net Taxable Gallons f - g	Tax Due h X c	Interest Due	Total Due i + j
MT	D							\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
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								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
Other Jurisdictions: (See Backside)								\$	\$	\$
<b>Totals:</b>								\$	\$	\$
Check here to cancel your IFTA License:			Do Not Write in this Space		Important See Reverse Side for Instructions		6. Late Fee ( see instructions):		\$	
Cancel <input type="checkbox"/>			7. Previous Balance:				\$			
Date: _____			8. Total Remittance or Credit:				\$			
Make remittance to the Department of Transportation										

I declare, under penalties of perjury, that this return (including schedules) has been examined by me and to the best of my knowledge and belief is true and complete.  
Report must be signed in original to be considered properly filed.

Signature

Title

Date

Phone

# Fuel Summary

Fuel Summary					
Fuel Type	Total Miles Traveled All Jurisdictions I		Total Gallons Used All Jurisdictions II		Average Fleet MPG (2 Decimal Places) III
1. Diesel (D):		/		=	
2. Gasohol (GH):		/		=	
Propane (P):		/		=	
Natural Gas (NG):		/		=	
3. Gasoline (G):		/		=	

**Must file quarterly even if you did not operate that quarter.**

# Total Miles Traveled All Jurisdictions

Fuel Type	Total Miles Traveled All Jurisdictions I
1. Diesel (D):	
2. Gasohol (GH):	
Propane (P):	
Natural Gas (NG):	
3. Gasoline (G):	

- ❖ All miles traveled – The miles traveled are for all units under the IFTA license only. This includes all miles traveled on taxable and non-taxable roads, turnpikes, toll roads and under fuel and mileage permits.
- ❖ Enter miles under correct fuel type that each vehicle uses.

# Total Gallons Used All Jurisdictions

Fuel Type	Total Gallons Used All Jurisdictions II
1. Diesel (D):	
2. Gasohol (GH):	
Propane (P):	
Natural Gas (NG):	
3. Gasoline (G):	

- ❖ Total fuel gallons purchased and placed into supply tanks of all IFTA vehicles.
- ❖ Enter total gallons under correct fuel type used.



# Average Fleet MPG

Fuel Type	Average Fleet MPG (2 Decimal Places)
1. Diesel (D):	
2. Gasohol (GH):	
Propane (P):	
Natural Gas (NG):	
3. Gasoline (G):	

- ❖ Divide total miles traveled by the total gallons used.
- ❖ Enter the above amount under the type of fuel used.
- ❖ Carry out to 2 decimal places.

# IFTA Jurisdictions Fuel Tax Computation

4. If you did not operate this quarter write none in column (d).

5. IFTA States fuel tax computation (IFTA Qualified Vehicles): \*Round columns d through g to the nearest whole number.

a	b	c	d	e	f	g	h	i	j	k
Jurisdiction	Fuel Type D, GH, P, G, NG	Tax Rate	Total Miles in Jurisdiction	Taxable Miles in Jurisdiction	Taxable Gallons	Tax Paid Gallons	Net Taxable Gallons f - g	Tax Due h X c	Interest Due	Total Due i + j
MT	D							\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
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								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
								\$	\$	\$
Other Jurisdictions: ( See Backside)										
<b>Totals:</b>								\$	\$	\$

# Computation cont.....

- ❖ **Column a:** **Jurisdiction** – Abbreviation for the **jurisdiction** in which the IFTA vehicles have traveled. Either state or province.
- ❖ **Column b:** Fuel Type - Enter the code for the fuel used by the IFTA vehicles. The codes are located at the top of the column on the form.
- ❖ **Column c:** Tax Rate – The correct tax rate for each **jurisdiction** must be entered. The Accounting Services Bureau will provide the rate sheet to all IFTA carriers on a quarterly basis.

# Computation cont.....

- ❖ **Column d:** Total Miles in **Jurisdiction**
  - Total for each **jurisdiction** where the IFTA vehicles traveled. If no operation this quarter write “none” in **Column d**. Round to nearest whole number. The total of this column must equal the total in “fuel summary” section of total miles traveled in all **jurisdictions**.

# Computation cont....

- ❖ Column e: Taxable Miles- Miles in each jurisdiction that are traveled on public roads, excluding those traveled under a fuel trip permit (a copy of the permit must be submitted with tax return). If miles are traveled on turnpikes and toll roads, that jurisdiction needs to be notified by your company for confirmation of exempt miles. Round to the nearest whole number.

# Computation cont....

- ❖ **Column f:** Taxable Gallons – The gallons that are used in a specific **jurisdiction**. To find this number take the miles from **column e** and divide it by the average **fleet** MPG in the “fuel summary” section. Round to the nearest whole number.
- ❖ **Column g:** Tax Paid Gallons – The gallons that were purchased and placed in the supply tank of a **qualified IFTA vehicle** in each **jurisdiction**. Gallons purchased under a fuel tax trip permit must be excluded from this total. Round to the nearest whole number. This column must equal the total gallons in “fuel summary” section for all **jurisdictions**.

# Computation cont....

- ❖ **Column h:** Net Taxable Gallons – The difference between taxable gallons, **column f**, and tax paid gallons, **column g**. If **column g** is larger than **column f**, the gallons left will be a credit. Put this number in brackets or use a negative sign. If **column f** is larger, a tax is due for that **jurisdiction**.
- ❖ **Column i:** Tax Due – The tax due on the net taxable gallons in **column h**. Calculate the tax by taking the total in **column h** times the tax rate for the **jurisdiction** in **column c**. If the amount is a credit due, put the number in brackets or use a negative sign.

# Computation cont....

- ❖ **Column j:** Interest Due – Interest is owed on late and amended tax returns. Interest begins on the 1<sup>st</sup> day of the month after the due date. Calculate by taking the tax due times 1% per month or fraction of a month. This is only done on jurisdictions where a tax is due and does not affect credits.
- ❖ **Column k:** Total Due – Total tax due plus interest (1% per month) if owed. Add **column i** and **column j**. This total is cumulative. E.g. (\$268) credit for Montana and \$200 tax due in Idaho equals a (\$68) credit. A supplement form MF92 is sent in case more rows are needed for fuel tax consumption reporting.



# Other Jurisdictions Line

- ❖ Applies to Alaska, Mexico, NW Territories, Yukon Territories and Washington, DC.
- ❖ Must enter information for these jurisdictions in columns d, e, f and g.

# Surcharges

- ❖ Some jurisdictions have a surcharge (SC) on fuel.
- ❖ These charges are part of the IFTA Fuel Tax Return.
- ❖ These charges are reported on the line directly below the fuel for that jurisdiction.
- ❖ Enter “SC” in **column b** and the surcharge rate found on the tax rate sheet in **column c**.

# Surcharges cont.....

- ❖ Enter the total of **column i** and **column j** in **column k**.
- ❖ Surcharges are based on taxable gallons in **column f** only. Take **column c** amount and multiply it by **column f** and enter the total due in **column i**.
- ❖ If late or amended, figure the interest using the same method as for the tax.



PO Box 5895  
Helena, MT 59604-5895  
Phone: (406) 444-3832 FAX: (406) 444-6032 TTY: (406) 444-7696  
[www.mdt.state.mt.us](http://www.mdt.state.mt.us)

**Report Period:**  
**Due Date:**

Trade Name (DBA):  
Address Line 1:  
Address Line 2:  
City, State, Zip

# SAMPLE

IFTA License #:  
MT License #:  
FEIN or SSN:  
Phone#:

**Fuel Type**

1. Diesel (D):
2. Gasohol (GH):  
Propane (P):  
Natural Gas (NG):
3. Gasoline (G):

**Total Miles Traveled  
All Jurisdictions  
I**

6064

/ / / / /

**Total Gallons Used  
All Jurisdictions  
II**

1975

—

### Average Fleet MPG (2 Decimal Places)

3.07

4. If you did not operate this quarter write none in column (d).

5. IFTA States fuel tax computation (IFTA Qualified Vehicles):

\*Round columns d through g to the nearest whole number.

[illegible]

Other Jurisdictions: ( See Backside)

300	300	98	125
-----	-----	----	-----

**Totals:**

6064	6064	1975	1974
------	------	------	------

Check here to cancel  
your IFTA License:

**Do Not Write in this Space**

**Cancel** ☐

Date: \_\_\_\_\_

**Important**  
**See Reverse Side for**  
**Instructions**

6. Late Fee (see instructions):

7. Previous Balance:

8. Total Remittance or Credit:

(Make remittance payable to the Department of transportation)

I declare, under penalties of perjury, that this return (including any schedules) has been examined by me and to the best of my knowledge and belief is true and complete. Report must be signed in original to be considered properly filed.

# Totaling the Tax Return

- ❖ Totals – Total all columns.
- ❖ Late Fee Line 6– Penalty is due for all late returns. Enter 10% of the **column i** total or \$50.00 whichever is greater. Penalty is due for all late returns, even if the return shows a credit or no miles traveled.
- ❖ Previous Balance Line 7 – Balance, credit or debit, from previous reporting periods is entered here unless you have requested a refund on the previous credit balance.
- ❖ Total Remittance or Credit Line 8. Add total in **column k**, line 6 and line 7. Enter here.

# Completing the Front of the Return

- ❖ Cancel your IFTA License – Check the box on the form and enter the cancellation date. The IFTA carrier must send a letter with the return stating that all IFTA decals have been removed from their vehicles and the original license must be returned.
- ❖ Signature – All tax returns must be signed by the person completing them, dated and a phone number provided.
- ❖ Title
- ❖ Date
- ❖ Phone Number



# **Bulk Storage**

## **(Back of Return)**

**If You Have Bulk Storage, this summary must be filled out for all jurisdictions**

	<b>Tax Paid</b>		<b>Tax Paid</b>
<b>1) Beginning Inventory:</b>		<b>5) Total fuel dispensed into IFTA vehicles:</b>	
<b>2) Received into storage:</b>		<b>6) Total fuel dispensed into Other Vehicles:</b>	
<b>3) Ending inventory:</b>		<b>7) Total fuel dispensed into equipment:</b>	
<b>4) Total fuel dispensed (1 + 2 less 3):</b>			

# **Bulk Storage**

- ❖ If you have **bulk storage**, and IFTA vehicles pull fuel from it, a complete **dispersal record** must be maintained, which includes date, gallons and type of vehicle (IFTA or non-IFTA) or equipment the fuel was dispensed into. Use vehicle number for IFTA vehicles.
- ❖ Line 1: Beginning Inventory - The ending inventory from the previous quarter.
- ❖ Line 2: Received into Storage - All **bulk storage** gallons received during the quarter.



# **Bulk Storage** Cont....

- ❖ Line 3: Ending Inventory - Gallons left in the **bulk storage** tank when the quarter ends.
- ❖ Line 4: Total Fuel Dispensed - Take line 1, plus line 2, minus line 3 for this total.
- ❖ Line 5: Total Fuel Dispensed into IFTA vehicles only.
- ❖ Line 6: Total Fuel Dispensed into Non-IFTA vehicles.
- ❖ Line 7: Total Fuel Dispensed into Equipment - This includes backhoes, graders, farm tractors, etc.



Montana Department of Transportation  
Accounting Services Bureau

**MF92 Supplement**  
**International Fuel Tax Agreement (IFTA)**  
**Fuel Purchase Summary**

**License #:**

**Quarter Ending:**

**All fuel purchases must be listed on MF-92CR if you are applying for a credit refund.**

[illegible]

# Fuel Purchase Summary Form

- ❖ This form is used for a credit refund. If the carrier account has been carrying credits, fill out this form every quarter. Be sure to enter license number to ensure that the form is matched with the tax return in case they are separated at some point.
- ❖ Enter the quarter ending to ensure that it corresponds with the correct return.

# How to Complete the Fuel Purchase Summary Form

- ❖ Date of Purchase – Enter month, day and year if purchased by individual invoices. If billed monthly then enter just the month and year.
- ❖ Fuel Type – Codes listed at top of column.
- ❖ Dealer Invoice Number – Enter the individual invoice number or the monthly billing number.

# Completing the Fuel Purchase Summary Form cont....

- ❖ Name of dealer – Enter the name of dealer, city and state where fuel was purchased.
- ❖ Gallons Purchased with no MT Tax – Fuel gallons purchased anywhere outside of MT.
- ❖ Gallons Purchased in MT Tax Paid – Total gallons purchased in MT.

# How to Obtain Forms

- ❖ Automatically sent quarterly – Sent out the third week of the last month of the quarter to active IFTA carriers. It is your responsibility to make sure that you have the correct form for the quarter.
- ❖ Web Site: <http://www.mdt.mt.gov/business/fueltax/IFTA> (International Fuel Tax Agreement) Forms
- ❖ Call Accounting Services Bureau at 406-444-7664 for the following reasons:

To obtain 1) tax rate information, 2) quarterly forms if not received, and 3) new forms for amendments.

# Department Contacts

❖ Sandy    406-444-7664

❖ Lisa      406-444-7689

❖ Email: [mdtiftatax@mt.gov](mailto:mdtiftatax@mt.gov)

# Record Keeping





The recordkeeping requirements covered in this section are specified by terms of the International Fuel Tax Agreement (IFTA) and are contained in the IFTA Procedures Manual\*.

*\*Additional information can be found at <http://www.iftach.org>*

***MCA 15-70-121** – authorized the Montana Department of Transportation to enter into the International Fuel Tax Agreement. **ARM 18.10.106** – adopts and implements the agreement by rule.*

# Why Do I Have to Keep Records?

- IFTA licensees are required to keep records to support the information reported on their IFTA Tax Returns.

# What If I Don't Keep Records?

- Failure to maintain records upon which the licensee's true tax liability may be determined or to make records available upon proper request may result in an assessment.
- Non-compliance with any record keeping requirement may be cause for revocation of the license.

**Montana Department of Transportation**  
 2701 Prospect Avenue, PO Box 201001, Helena, MT 59620-1001  
 International Fuel Tax Agreement (IFTA)  
**Audited Summary Statement**

**Licensee:** SAMPLE TRUCKING CO.  
**Account Number:** MT0000000000 (000000-IF)  
**Auditor:** MS. NICE  
**Audit Date:** March 30, 2000  
**Audit Period:** 1997 Quarter 1 - 1999 Quarter 4  
**Additional Months of Interest after December 1999:** 5

11/15/02  
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Jurisdiction	Tax Due	Interest Due	Subtotal	Penalty	Total
CO - Colorado	(0.20)	0.00	(0.20)	0.00	(\$0.20)
IA - Iowa	(0.23)	0.00	(0.23)	0.00	(\$0.23)
ID - Idaho	(1.00)	0.00	(1.00)	0.00	(\$1.00)
IL - Illinois	(0.28)	0.00	(0.28)	0.00	(\$0.28)
IN - Indiana	(0.16)	0.00	(0.16)	0.00	(\$0.16)
IN - Surcharge	(0.11)	0.00	(0.11)	0.00	(\$0.11)
MT - Montana	(374.34)	0.00	(374.34)	0.00	(\$374.34)
ND - North Dakota	(3.80)	0.00	(3.80)	0.00	(\$3.80)
SD - South Dakota	(0.21)	0.00	(0.21)	0.00	(\$0.21)
WA - Washington	(3.91)	0.00	(3.91)	0.00	(\$3.91)
WY - Wyoming	(2.56)	0.00	(2.56)	0.00	(\$2.56)
<b>Totals:</b>	(\$386.80)	\$0.00	(\$386.80)	\$0.00	(\$386.80)

*Comments:*

**Audited records supported the information reported on the IFTA tax return**

# Montana Department of Transportation

2701 Prospect Avenue, PO Box 201001, Helena, MT 59620-1001

International Fuel Tax Agreement (IFTA)

## Reported and Audited Miles Per Gallon (MPG) Statement

**Licensee:** SAMPLE TRUCKING CO.  
**Account Number:** MT000000000 (000000-IF)  
**Auditor:** MS. NICE  
**Audit Date:** March 30, 2000  
**Audit Period:** 1997 Quarter 1 - 1999 Quarter 4

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Quarter	Reported MPG	Audited MPG
1997 Quarter 1	4.72	4.72
1997 Quarter 2	5.19	5.19
1997 Quarter 3	5.53	5.53
1997 Quarter 4	5.39	5.39
1998 Quarter 1	4.87	4.87
1998 Quarter 2	5.20	5.20
1998 Quarter 3	5.13	5.13
1998 Quarter 4	4.98	4.98
1999 Quarter 1	4.92	4.92
1999 Quarter 2	5.29	5.29
1999 Quarter 3	5.21	5.21
1999 Quarter 4	4.97	4.97



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2701 Prospect Avenue, PO Box 201001, Helena, MT 59620-1001  
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**Audit Date:** March 30, 2000  
**Audit Period:** 1997 Quarter 1 - 1999 Quarter 4  
**Additional Months of Interest after December 1999:** 5

11/15/02  
01:39 PM

Jurisdiction	Tax Due	Interest Due	Subtotal	Penalty	Total
CO - Colorado	4.92	1.74	6.66	0.00	\$6.66
IA - Iowa	(0.23)	0.00	(0.23)	0.00	(\$0.23)
ID - Idaho	129.75	39.38	169.13	0.00	\$169.13
IL - Illinois	(0.28)	0.00	(0.28)	0.00	(\$0.28)
IN - Indiana	(0.16)	0.00	(0.16)	0.00	(\$0.16)
IN - Surcharge	(0.11)	0.00	(0.11)	0.00	(\$0.11)
MT - Montana	(96.85)	52.69	(44.16)	0.00	(\$44.16)
ND - North Dakota	51.60	20.50	72.10	0.00	\$72.10
SD - South Dakota	(0.21)	0.00	(0.21)	0.00	(\$0.21)
WA - Washington	65.09	20.18	85.27	0.00	\$85.27
WY - Wyoming	(2.56)	0.00	(2.56)	0.00	(\$2.56)
<b>Totals:</b>	\$150.96	\$134.48	\$285.44	\$0.00	\$285.44

*Comments:*

**Mileage records meet IFTA requirements. 18 fuel receipts were disallowed because they were missing or not documented in accordance with IFTA standards. Credit for 2125 gallons of tax paid fuel purchases was denied.**

**Montana Department of Transportation**  
 2701 Prospect Avenue, PO Box 201001, Helena, MT 59620-1001  
 International Fuel Tax Agreement (IFTA)  
**Audited Summary Statement**

**Licensee:** SAMPLE TRUCKING CO.  
**Account Number:** MT000000000 (000000-IF)  
**Auditor:** MS. NICE  
**Audit Date:** March 30, 2000  
**Audit Period:** 1997 Quarter 1 - 1999 Quarter 4  
**Additional Months of Interest after December 1999:** 5

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Jurisdiction	Tax Due	Interest Due	Subtotal	Penalty	Total
CO - Colorado	56.98	13.49	70.47	0.00	\$70.47
IA - Iowa	7.42	2.30	9.72	0.00	\$9.72
ID - Idaho	2,093.75	416.19	2,509.94	0.00	\$2,509.94
IL - Illinois	8.12	2.52	10.64	0.00	\$10.64
IN - Indiana	2.40	0.74	3.14	0.00	\$3.14
IN - Surcharge	1.65	0.51	2.16	0.00	\$2.16
KY - Kentucky	1.56	0.48	2.04	0.00	\$2.04
KY - Surcharge	0.68	0.21	0.89	0.00	\$0.89
MT - Montana	46,169.36	9,406.34	55,575.70	0.00	\$55,575.70
ND - North Dakota	6,460.95	1,316.98	7,777.93	0.00	\$7,777.93
SD - South Dakota	61.33	17.14	78.47	0.00	\$78.47
UT - Utah	35.51	3.35	38.86	0.00	\$38.86
WA - Washington	4,767.67	946.90	5,714.57	0.00	\$5,714.57
WV - West Virginia	4.31	1.34	5.65	0.00	\$5.65
WY - Wyoming	4,261.17	790.79	5,051.96	0.00	\$5,051.96
<b>Totals:</b>	\$63,932.86	\$12,919.28	\$76,852.14	\$0.00	\$76,852.14

*Comments:*

**The licensee did not submit records for audit. Audit was performed using the best available information. The presumption of 4.0 MPG was applied to all quarters of the audit period. Credit for all tax-paid purchases was denied.**

# Montana Department of Transportation

2701 Prospect Avenue, PO Box 201001, Helena, MT 59620-1001

International Fuel Tax Agreement (IFTA)

## Reported and Audited Miles Per Gallon (MPG) Statement

**Licensee:** SAMPLE TRUCKING CO.  
**Account Number:** MT000000000 (000000-IF)  
**Auditor:** MS. NICE  
**Audit Date:** March 30, 2000  
**Audit Period:** 1997 Quarter 1 - 1999 Quarter 4

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Quarter	Reported MPG	Audited MPG
1997 Quarter 1	4.72	4.00
1997 Quarter 2	5.19	4.00
1997 Quarter 3	5.53	4.00
1997 Quarter 4	5.39	4.00
1998 Quarter 1	4.87	4.00
1998 Quarter 2	5.20	4.00
1998 Quarter 3	5.13	4.00
1998 Quarter 4	4.98	4.00
1999 Quarter 1	4.92	4.00
1999 Quarter 2	5.29	4.00
1999 Quarter 3	5.21	4.00
1999 Quarter 4	4.97	4.00



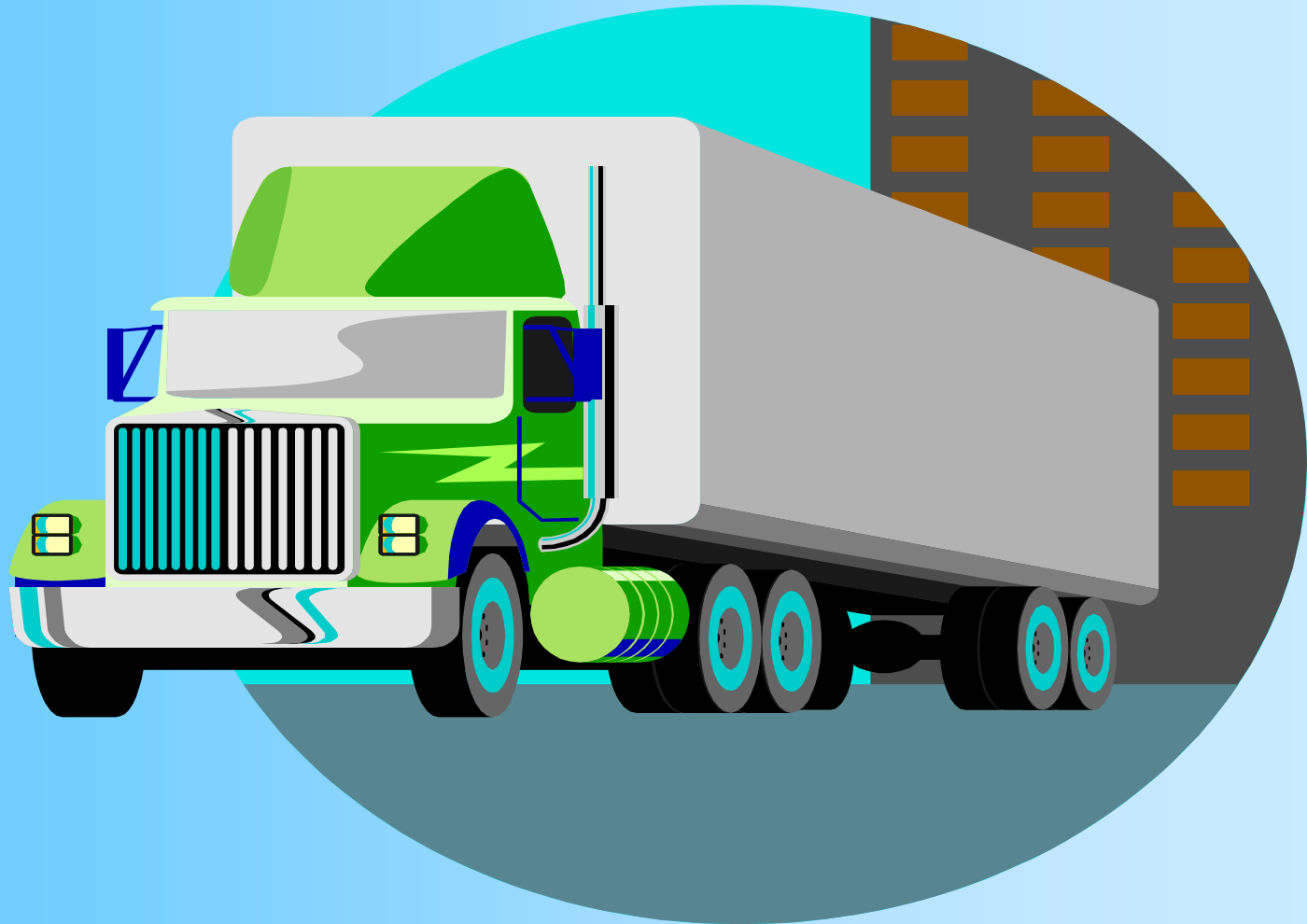
# What Kind of Records Do I Have to Keep?

## **1. Distance Records**

## **2. Fuel Records**

Licensees are required to have source documents to support the information reported on their tax return. Records must be retained for the current year and the 3 prior years (4 years total).

# 1. Distance Records



# Distance Records:

An acceptable distance accounting system is necessary to substantiate the information reported on the quarterly tax return.

# Distance Records:

A licensee's system at a minimum:

- **Must** contain distance data on individual vehicles for each trip and be recapped in monthly fleet summaries.
- Recap distance traveled for each vehicle for each jurisdiction in which the vehicle operated.
- Document distance traveled for taxable and non-taxable use.

# Distance Records:

Vehicle distance information is usually recorded on  
“TRIP REPORTS”

# TRIP REPORTS SHOULD HAVE THE FOLLOWING ELEMENTS:

- Licensee's name
- Vehicle **fleet** number
- Vehicle identification  
# or unit #
- Starting & ending  
dates of trip
- Place of trip origin &  
destination
- Routes of travel
- Beginning & ending  
odometer (or  
hubometer) readings
- Total trip miles
- Distance by  
**jurisdiction**
- **Nontaxable** trip  
**miles**

How do I know if my trip miles  
are taxable?



# TRAVEL ON PUBLIC ROADS AND HIGHWAYS IN MONTANA ARE TAXABLE

**Public Roads and Highways are defined as follows in MCA 15-70-301(15):**

All streets, roads, highways and related structures:

- (a) built and maintained with appropriated funds of the United States, the state of Montana, or any political subdivision of the state;
- (b) dedicated to public use;
- (c) acquired by eminent domain; or
- (d) acquired by adverse use of the public, with jurisdiction having been assumed by the state or any political subdivision of the state.



# Fleet Monthly Distance Recap

IFTA Jurisdiction	Unit # Miles	Unit # Miles	Unit # Miles	Total Miles
ID				
MT				
ND				
OR				
SD				
UT				
WA				
WY				
Total Miles				

## 2. Fuel Records

A licensee must maintain complete records of all motor fuel purchased, received.

Separate totals must be compiled for each motor fuel type.

- Gasoline
- Diesel
- Ethanol Blended Gasoline
- Propane
- Compressed Natural Gas
- Blended Fuels

Retail and Bulk fuel purchases must be accounted for separately.

*All fuel purchases shall contain but not be limited to:*

- Date of each receipt of fuel;
- Name and address of the seller where the fuel was purchased or received;
- Type of fuel, number of gallons; and
- The vehicle or equipment into which the fuel was placed.

# TAX PAID RETAIL PURCHASES



Retail purchases must be supported by a receipt or invoice, credit card receipt, automated vendor generated invoice or transaction listing, or microfilm/microfiche for the receipt or invoice. Receipts that have been altered or indicate erasures will not be accepted for tax-paid credit unless the licensee can demonstrate the receipt is valid.

Receipts for retail fuel purchases must identify the vehicle by the plate or Unit # or other licensee identifier, as distance traveled and fuel consumption may be reported only for vehicles identified as part of the licensee's operation.

An acceptable receipt or invoice must include, but shall not be limited to, the following:

- Date of purchase;
- Seller's name and address;
- Number of gallons or liters purchased;
- Fuel type;
- Vehicle identification
- Price per gallon or liter or the total amount of the sale
- Purchaser's name (in case of lessee/lessor agreement, receipts will be accepted in either name, provided a legal connection can be made to the reporting party).



# Fleet Monthly Fuel Recap

IFTA Jurisdiction	Unit # Fuel	Unit # Fuel	Unit # Fuel	Total Fuel
ID				
MT				
ND				
OR				
SD				
UT				
WA				
WY				
Total Fuel				

IMPORTANT: THE BEGINNING TRACTOR MILEAGE FOR THIS TRIP MUST BE THE SAME AS THE ENDING TRACTOR MILEAGE FROM YOUR LAST TRIP.

- ☐ Please list all Deadhead & Empty miles Pickup and drop points
- ☐ Please attach all original fuel receipts, trip permits and toll tickets to the BACK of this Trip Sheet
- ☐ Do NOT write in the SHADED columns - for Office Use Only
- ☐ See reverse side for instructions

Fleet No. _____
Operator No. _____
Batch No. _____

DRIVERS' NAMES			BEGINNING TRIP DATE:		ENDING TRIP DATE:									
			TRACTOR #	TRAILER NUMBER	LOAD NUMBER	TOTAL MILES	TOTAL GALLONS	TOTAL COST	STATE #/TURNPIKE MILES					
Starting Point of Trip (City, State) of Last Unload or Deadhead:				Original Load Point Pick-Up Point (City, State):				Final Destination Point of Trip (City, State) Next Trip Sheet should begin with this point:						
List all additional Pick-Up/Drop Points (City, State) in this area:														
1. _____ 4. _____ 7. _____ 10. _____														
2. _____ 5. _____ 8. _____ 11. _____														
3. _____ 6. _____ 9. _____ 12. _____														
Line No.	State Code	State	Route of Travel (Highway Nos.)	Odometer Reading		Miles By State	Trip Permit Miles	Tractor Gallons	Valid/Invalid Gallons	Total Cost of Fuel	Purchase Date	Name of Station	Name of City	Invoice Number
				Beginning	State Exit									
1.														
2.														
3.														
4.														
5.														
6.														
7.														
8.														
9.														
10.														
11.														
12.														
13.														

NOTE: This Trip was processed during the month of \_\_\_\_\_, 20\_\_\_\_.



## SPECIAL INSTRUCTIONS FOR THE DRIVER COMPLETING THIS TRIP SHEET

1. To comply with state audit regulations, **you must complete all information requested** on this trip sheet for every trip you make (including deadhead and empty miles).
2. It is extremely important that the **Beginning Odometer (or Hubometer) Reading on this trip be the same as the End Odometer (or Hubometer) Reading on your last trip.** If you fail to do this, during an audit we will be assessed fines, penalties, and interest on every missing mile between those readings.
3. Please prepare a separate trip sheet for each truck if you change vehicles.
4. Be sure your **truck number** is on all receipts.

**IMPORTANT: THE BEGINNING TRACTOR MILEAGE FOR THIS TRIP MUST BE THE SAME AS THE ENDING TRACTOR MILEAGE FROM YOUR LAST TRIP.**

☐ Please list all Deadhead & Empty miles  
☐ Please list all other points  
☐ Please attach all original fuel receipts, trip permits and all permits to the back of this Trip Sheet  
☐ Do NOT write in the SHADED columns  
☐ See reverse side for instructions

DRIVERS' NAMES		BEGINNING TRIP DATE	12-11-97	ENDING TRIP DATE	12-13-97	TOTAL GALLONS		TOTAL COST	STATE #/TURNPIKE MILES					
B. West		TRACTOR #	1516	TRAILER NUMBER	5728	LOAD NUMBER	7175	TOTAL MILES	579					
Bee Complete														
Beginning Point of Trip (City, State) or Last Load or Deadhead:		Memphis, TN		Terminal Last Point Pick-Up Point (City, State):		First Destination Point of Trip (City, State) (Note: Trip Sheet should begin with this point):		Milwaukee, WI						
List all additional Pick-Up/Drop Points (City, State) in this area:		1. Sedalia, MO		2. Davenport, IA		3. Elkhart, IN		4. Toledo, OH						
		5. Toledo, OH		6. Toledo, OH		7. Toledo, OH		8. Toledo, OH						
		9. Toledo, OH		10. Toledo, OH		11. Toledo, OH		12. Toledo, OH						
Line No.	State Code	State	Route of Travel (Highway No.)	Odometer Reading Beginning	Odometer Reading End	Miles of State	Yr. of State	Tractor Gauge	Hubometer Gauge	Total Cost of Fuel	Purchase Date	Name of Station	Name of City	Invoice Number
1.	TN	55		20737	20755	21								
2.	AR	55		20755	20783	70								
3.	MO	55-57		20783	20915	57								
4.	IL	57-94		20915	21334	419		122.0		151.15	12-12	Dave's 715	Toledo	530048
5.	OH	94-43-94		21334	21616	282								
6.														
7.														
8.														
9.														
10.														
11.														
12.														
13.					21616									

Miles for this Trip Sheet are complete when you unload. Deadhead miles to your next load should be on your next Trip Sheet.

NOTE: This Trip was processed during the month of \_\_\_\_\_, 19\_\_.

### IMPORTANT FUEL RECEIPT INFORMATION

**ALL ORIGINAL VENDOR FUEL RECEIPTS ACCUMULATED FOR THIS TRIP MUST BE ATTACHED AND MUST INCLUDE THE FOLLOWING:**

- 1) THE COMPANY'S NAME
- 2) DATE OF PURCHASE
- 3) UNIT NUMBER
- 4) STATION NAME
- 5) CITY AND STATE
- 6) GALLONS
- 7) COST PER GALLON
- 8) TOTAL PRICE
- 9) FUEL TYPE
- 10) INVOICE NUMBER
- 11) DRIVER SIGNATURE
- 12) ODOMETER OR HUBOMETER READING

5. All company drivers must complete a fuel invoice when fueling a vehicle from a terminal bulk fuel pump.

6. When fuel is purchased or when you fill your truck from a bulk storage facility, enter the purchase information **for each individual purchase** in the TRACTOR GALLONS column on the line of the appropriate state/province and attach fuel receipts to the back of this trip sheet (See Abbreviations below).

AL ..... ALABAMA  
 AK ..... ALASKA  
 AZ ..... ARIZONA  
 AR ..... ARKANSAS  
 CA ..... CALIFORNIA  
 CO ..... COLORADO  
 CT ..... CONNECTICUT  
 DE ..... DELAWARE  
 DC ..... DIST. OF COLUMBIA  
 FL ..... FLORIDA  
 GA ..... GEORGIA  
 ID ..... IDAHO  
 IL ..... ILLINOIS  
 IN ..... INDIANA  
 IA ..... IOWA  
 KS ..... KANSAS  
 KY ..... KENTUCKY  
 LA ..... LOUISIANA

ME ..... MAINE  
 MD ..... MARYLAND  
 MA ..... MASSACHUSETTS  
 MI ..... MICHIGAN  
 MN ..... MINNESOTA  
 MS ..... MISSISSIPPI  
 MO ..... MISSOURI  
 MT ..... MONTANA  
 NE ..... NEBRASKA  
 NV ..... NEVADA  
 NH ..... NEW HAMPSHIRE  
 NJ ..... NEW JERSEY  
 NM ..... NEW MEXICO  
 NY ..... NEW YORK  
 NC ..... NORTH CAROLINA  
 ND ..... NORTH DAKOTA  
 OH ..... OHIO  
 OK ..... OKLAHOMA

OR ..... OREGON  
 PA ..... PENNSYLVANIA  
 RI ..... RHODE ISLAND  
 SC ..... SOUTH CAROLINA  
 SD ..... SOUTH DAKOTA  
 TN ..... TENNESSEE  
 TX ..... TEXAS  
 UT ..... UTAH  
 VT ..... VERMONT  
 VA ..... VIRGINIA  
 WA ..... WASHINGTON  
 WV ..... WEST VIRGINIA  
 WI ..... WISCONSIN  
 WY ..... WYOMING

MX ..... MEXICO  
 AB ..... ALBERTA  
 BC ..... BRITISH COLUMBIA  
 MB ..... MANITOBA  
 NB ..... NEW BRUNSWICK  
 NF ..... NEWFOUNDLAND  
 NS ..... NOVA SCOTIA  
 NT ..... NW TERRITORY  
 ON ..... ONTARIO  
 PE ..... PRINCE EDWARD IS  
 PQ ..... QUEBEC  
 SK ..... SASKATCHEW.  
 YU ..... YUKON

# Tax Paid Bulk Fuel Purchases



**Bulk storage** fuel is normally delivered into storage facilities maintained by the licensee, and the fuel tax may or may not be paid at the time of the delivery. Copies of all delivery tickets and/or receipts must be retained by the licensee. Receipts that have been altered or indicate erasures are not accepted for tax-paid credits unless the licensee can demonstrate the receipt is valid.

**Bulk fuel inventory reconciliation must be maintained. For withdrawals from bulk storage, records must be maintained to distinguish fuel placed in qualified vehicles (IFTA) from other uses.**

# Bulk Fuel Reconciliation

Beginning Reading:	_____
Plus Purchases:	_____
Equals Available fuel:	_____
Less Withdrawals:	_____
Ending Inventory:	_____
equals	
Ending Reading:	_____

Reason for difference between ending inventory and ending reading:

- Temperature variations are the most common reason.

# Bulk Fuel Dispersal Record

**Tank Number/Location:**\_\_\_\_\_

**Fuel Type:**\_\_\_\_\_ (Diesel, Gasoline, Gasohol, Propane,  
Natural Gas)

Date	Beginning meter Reading	Ending meter Reading	Number Of Gallons	Unit/Plate/Rig Equip. Number
Total				

To obtain credit for withdrawals from Licensee-owned, tax paid bulk storage the following records must be maintained:

- Date of withdrawal;
- Number of gallons/liters;
- Fuel type;
- Unit number or equipment number;
- Purchase and inventory records to substantiate that tax was paid on all bulk purchases.



# Audits

Every IFTA license holder is subject to audit. If your operation is chosen for audit, you will be contacted in writing. Under normal circumstance you will receive at least 30 days notice.

# Audit Selection

➤ Licensee's are selected for audit as defined in the IFTA Audit Manual; Section A320

or

➤ By referral.

# Licensee Communication

- Notified early in January of upcoming audit
- 30 days prior to the audit, the licensee will be notified;
  - The licensee will be informed of the approximate audit date;
  - The quarters included in audit period;
  - Whether the records will be reviewed at the licensee's place of business or in our office; and
  - What records to provide.

# The auditor meets with the licensee to conduct an Entrance Conference in order to:

- Understand licensee's operations and book keeping procedures
- Explain the audit process
- Determine who has the final acceptance for the audit findings
- Answer licensee questions

# Audit Procedures

**To determine whether the licensee's records support the information reported on their tax return the auditor will:**

- Evaluate internal controls used by the licensee to insure the accuracy of the reported information
- Test Distance & Fuel records
- Analyze the results
- Issue a report to the licensee and all affected jurisdictions documenting the audit results.

# After the audit is completed the auditor will meet with the licensee to conduct an Exit Conference in order to:

- Review audit results with licensee
- Explain recommendations
- Explain appeal process
- Answer licensee questions

# Contacts:

General Number: (406) 444-9207



# Cancellation and Revocation of License

Check here to cancel  
your IFTA License:

**Cancel**

☐

Date: \_\_\_\_\_



# Cancellations

- **Requested Cancellation** – IFTA carrier marks the canceled box on their tax return. Must remove decals from trucks and send in original license.
- **Closed Account** – IFTA carrier did not renew their license for the current year before the deadline, which is the last working day of February. Must renew yearly.
- **Revoked** – When a jurisdiction takes your license because the carrier has delinquent tax returns or assessments past 60 days.

# Revocation Process

- **A/R Cycle** – 30/60 day billing notices. This may be for actual or estimated taxes.
- **Revocation** – Letter to IFTA carrier advising that their IFTA account is going to be revoked. If this letter comes back unopened, it is considered accepted.
- **Bad Debt Letter/Legal** – Warning that delinquent account is going to be turned over to a collection agency or the department will take legal action.
- **Turned Over to Collections or Legal Action Taken.**

# Reinstating a Revoked License

- Will be required to post a bond in the amount of \$500,
- Will be required to pay a reinstatement fee of \$100.00 to obtain a new license
- Correct all requirements leading to revocation.
  1. All tax, penalty and interest paid in full.
  2. All reports filed.
  3. All requested records must be received.

# Contact at the Department

- Lisa – 406-444-7689  
mdtiftatax@mt.gov



# IFTA Refunds

8. Total Remittance or Credit: (Make remittance payable to the Department of transportation)	\$
---	----

# Steps to Obtain a Refund

- Written Request must be made:
  - On the tax form write refund credit  
(Note: \$5.00 or less is not refunded.)
  - Letter
  - E-mail – [mdtiftatax@mt.gov](mailto:mdtiftatax@mt.gov)
  - Fax – 406-444-5411

# Request Processing

- IFTA allows 90 days from postmark to process IFTA refund requests, if properly filed and all required information was submitted with the tax return.

(Typically out within 30 days)

- The listing of tax paid fuel from the **form 92cr** is reviewed.
- Refund is approved.
- Approved refund is processed through the system and check issued.





# **Refrigerator Fuel Refund Form**

- Complete all information in the top section.
- Date of Purchase – Month, day and year if on individual invoices. If monthly billing enter just the month and year.
- Fuel Type – Codes listed at top of column.

# Refrigerator Form Cont...

- Dealer Invoice Number – Enter the number of the individual invoice or monthly billing number.
- Name of Dealer – Enter name, city and state for where the fuel was purchased.
- Gallons – Total gallons placed in the refrigerator unit of fuel purchased in MT only.
- Total – Add all gallons entered.

# Refrigerator Form Cont...

- Total Refund Amount – Total gallons times the MT tax rate.
- Original invoices need to be submitted with this form unless the invoice has vehicle fuel and refrigerator fuel on the same invoice. Then a photocopy is required. This credit is not allowed to be used against fuel taxes owing. If you have refrigerator fuel refunds for other jurisdictions, they must be contacted directly.

# How to Obtain Forms

- Automatically sent quarterly – Sent out the third week of the last month of the quarter to active IFTA carriers.
- Web Site: IFTA (International Fuel Tax Agreement)  
<http://www.mdt.mt.gov/business/fueltax/>
- Call Fiscal Operations Bureau at 406-444-7664 for the following reasons:

To obtain 1) tax rate information, 2) quarterly forms if not received, and 3) new forms for amendments.

# Department Contact

➤ Sandy  
mdtiftatax@mt.gov

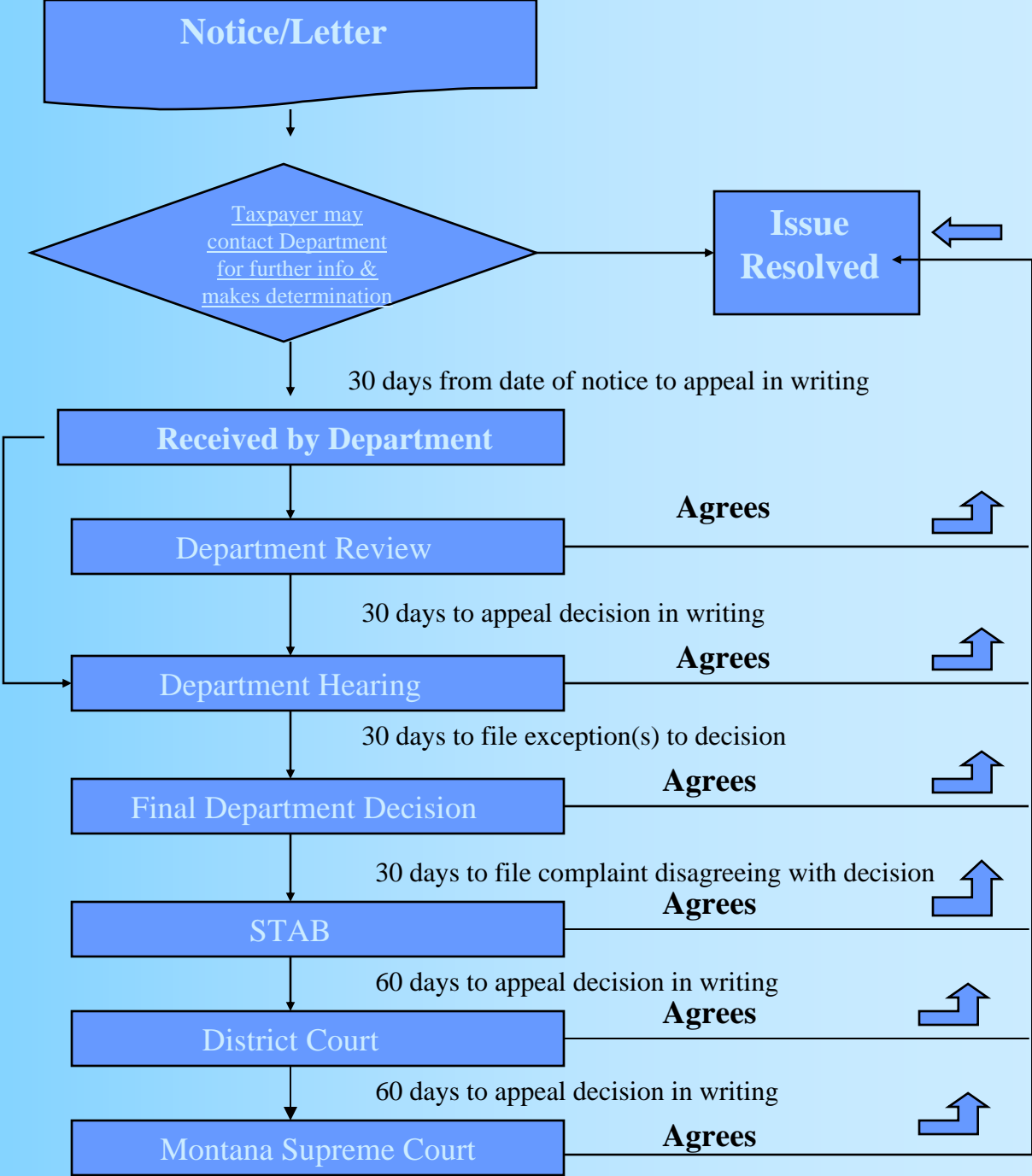
406-444-7664



# Motor Fuels Dispute Resolution Process



Motor Fuel Dispute  
Resolution Flow Chart



# Notice/Letter

A notification from the Department on any decision that includes any one of the following may be appealed.

- Audit results;
- Revocation of license;
- Late file of a return;
- Additional amount due; or
- Refunds. (reductions, adjustments or denials)



# Taxpayer Options

- Taxpayer receives the notice/letter, by mail, from the Department.
- If they agree, the issue is resolved.
- The taxpayer may contact the Department for further information if they would like clarification of the notice.
  - Contacting the Department will not extend the time period to appeal.
- If the taxpayer does not agree with the Department's decision, they may make a written request within thirty (30) calendar days for a Department review or formal hearing.
- If no appeal is made the decision is final.

# Received by Department

- The Department will accept a written appeal request by
  - e-mail - [mdtappeal@mt.gov](mailto:mdtappeal@mt.gov),
  - fax - (406) 444-6032, or
  - letter.
- A written request is considered timely if postmarked or received in the Department on or before the last day to appeal.
- A phone call must be followed by a written request (including fax or e-mail) to appeal and is timely if filed as described above.
- All appeals will go through a department review unless a formal hearing is requested.
- If no appeal is made the decision is final.

# Department Review

- A review officer acts as a third party between the Department and the taxpayer.
- The review may be conducted over the telephone or in person.
- The review officer has thirty (30) calendar days to render a decision to the taxpayer. If the taxpayer agrees with the decision, the issue is resolved.
- If the taxpayer disagrees with the decision, they may appeal, in writing, within thirty (30) calendar days of the written decision. The appeal will be logged and forwarded to legal services to schedule a formal hearing.
- If no appeal is made the decision is final.

# Formal Department Hearing

- A hearing is conducted by an independent hearings officer between the taxpayer and the Department.
- Legal counsel represents the Department.
- If both parties agree with the hearing officer's findings and decision, the issue is resolved.
- If either party disagrees with the hearing officer's findings and decision, they are required to file objections to the IFTA Commissioner within thirty (30) calendar days of the written decision.
- If no appeal is made the decision is final.

# Final Department Decision

- The IFTA Commissioner must adopt, amend or disapprove the hearing officer's findings and decision.
- If appealed, the IFTA Commissioner may allow the parties to present their arguments in person or by brief. The IFTA Commissioner then issues a decision. If both parties agree with the IFTA Commissioner's decision, the issue is resolved.
- If either party disagrees with the IFTA Commissioner's decision, they must file a complaint, in writing, to the State Tax Appeal Board (S.T.A.B.) within thirty (30) calendar days of the written decision.
- If no appeal is made the decision is final.

# **State Tax Appeal Board**

## **S.T.A.B.**

- A three-member board, appointed by the Governor, which hears tax cases.
- Legal counsel represents the Department.
- S.T.A.B. holds a hearing and issues a decision.
- If both parties agree with the decision, the issue is resolved.
- Either party may appeal the decision, in writing, to the District Court within sixty (60) calendar days of the written decision.
- If no appeal is made the decision is final.

# District Court

- The District court judge holds a hearing and issues a decision.
- If both parties agree with the decision, the issue is resolved.
- Either party may appeal the decision to the Montana Supreme Court within sixty (60) calendar days of the written decision.
- If no appeal is made the decision is final.

# **Montana State Supreme Court**

- If either party disagrees with the District Court's decision, judicial review is held in front of the Montana Supreme Court.
- The Montana Supreme Court reviews the case file and issues a decision.

**No further appeal exists in the state judicial system.**



# Contact List

- License - Motor Carrier Services (MCS) - (406) 444-6130.
- Audits - Internal Audit Unit - (406) 444-9207.
- Reports – Fiscal Operations Bureau - (406) 444-7664.
- Accounts Receivable - (406) 444-7689.
- Appeal Status - Fuel Tax Management & Analysis Bureau - (406) 444-6027.
- Informal Review Officer - Fuel Tax Management & Analysis Bureau - (406) 444-7672.
- Legal Services - (406) 444-6090.
- Montana IFTA Commissioner - (406) 444-9418

# **Glossary of IFTA Definitions**



- **Applicant** – A person whose name is on the licensing application that is filed.
- **Audit** – A physical examination of the records and source documents supporting the licensee's reports.
- **Base Jurisdiction** – The member jurisdiction where qualified motor vehicles are based for vehicle registration purposes, where the operational control and operational records of the licensee's qualified motor vehicles are maintained or can be made available, and where some mileage is accrued by qualified motor vehicles within the fleet.
- **Bulk Storage** – A container or tank holding any fuels for storage, other than the supply tank of a motor vehicle or any internal combustible engine.

- **Cancellation** – The annulment of a license and its provisions by either the licensing jurisdiction or the licensee.
- **Commissioner** – The official designated by the jurisdiction to be responsible for the administration of this agreement.
- **Dispersal Records** – Detailed documentation showing how bulk fuel was used. This should include the number of gallons, the date dispensed from the bulk fuel tank into the supply tank of a vehicle and the vehicle unit number.
- **Dispute Resolution** – Is a conflict resolution system which includes an informal review and formal hearings which find solutions and resolve differences of fuel tax, penalty and assessments.

- **Exempt miles** – Montana exempts fuel from tax when your vehicle (s):
  - 1) Operate under a temporary fuel trip permit, or
  - 2) Operate on private or forest service development roads.
- **Fleet** – One or all vehicles that are licensed under IFTA. Not including agricultural vehicles.
- **Forest Service Development Road** – Roads used by Logging or Mining Contractors. It is built and maintained by the contractor. When the contractor is finished using the road, the road is destroyed.
- **Gross Vehicle Weight** – The maximum weight of the loaded or combination of vehicles during the registration period.

- **In-Jurisdiction distance** – The total number of miles/kilometers operated by a licensee's qualified motor vehicles within a jurisdiction. In-jurisdiction distance does not include miles/kilometers operated on a fuel tax trip permit or miles exempted from fuel taxation by a jurisdiction.
- **Interstate travel** – Travel between states and any place outside of that state, including the District of Columbia and any place outside of that state.
- **Intrastate travel** – Travel within a state's boundaries. Not traveling from one state to another state or jurisdiction.
- **Jurisdiction** – A state of the United States, the District of Columbia, or a Province or Territory of Canada.

- **Licensee** — A person who holds an un-cancelled IFTA license issued by the base jurisdiction.
- **Motor Fuels** — All fuels used for the generation of power for propulsion of qualified motor vehicles.
- **Non-Taxable miles** - Travel on private property and private roads.
- **Operational control** — The actual business is normally located and operated from the base state jurisdiction.
- **Person** — An individual, corporation, partnership, association, trust or other entity.
- **Physical Address** — Where the business office is located.

- **Qualified IFTA Motor Vehicle** – A motor vehicle used, designed or maintained for the transportation of persons or property and:
  - 1.) Having two axles and a gross vehicle weight or registered gross vehicle weight exceeding 26,000 pounds or 11,797 kilograms; or
  - 2.) Having three or more axles regardless of weight; or
  - 3.) Is used in combination, when the weight of such combination registered gross vehicle weight.
- **Does not include recreational vehicles.**
- **Recreational vehicle** – Vehicles such as motor homes, pickup trucks with attached campers, and buses when used exclusively for personal pleasure by and individual. In order to qualify as a recreational vehicle, the vehicle shall not be used in connection with any business endeavor.



- **Registration** – The qualification of motor vehicles normally associated with a prepayment of licensing fees for the privilege of using the highway and the issuance of a license plate and a registration card or temporary registration containing owner and vehicle data.
- **Reporting period** – A period of time consistent with the calendar quarterly periods of January 1 – March 31, April 1 – June 30, July 1 – September 30 and October 1 – December 31.
- **Revocation** – The withdrawal of license and privileges granted to the licensee by the licensing jurisdiction.
- **Suspension** – The temporary removal of privileges granted to the licensee by the licensing jurisdiction.

- **Taxable Miles** - Travel on public roads and highways.
- **Total distance** – All miles/kilometers traveled during the reporting period by every qualified vehicle in the licensee's fleet, regardless of whether the miles/kilometers are considered taxable or nontaxable by a jurisdiction.